

EAGLE COUNTY

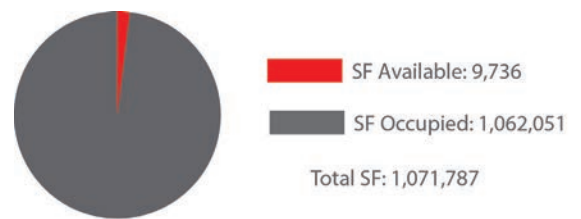
Q1 2017 Commercial Report



UPPER VALLEY

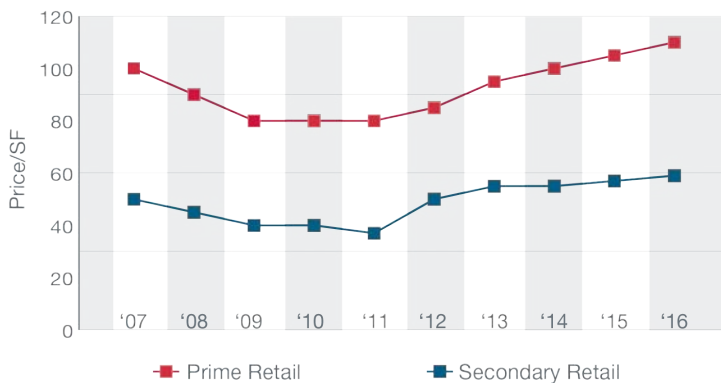
The Upper Valley occupancy numbers improved in Q1 2017, due largely to an approximately 5,600 square foot lease being signed at 450 E. Lionshead Circle. Net absorption was positive at approximately 6,957 square feet, decreasing the vacancy rate by 65 basis points to less than one percent from the Q4 2016 level of 1.56%. This leaves both villages with virtually no vacant spaces as the 2016-2017 ski season comes to a close. It will be interesting to see if any new supply comes on the market after the close of the season, as leases tend to expire at the beginning of the second quarter.

UPPER VALLEY COMMERCIAL OCCUPANCY

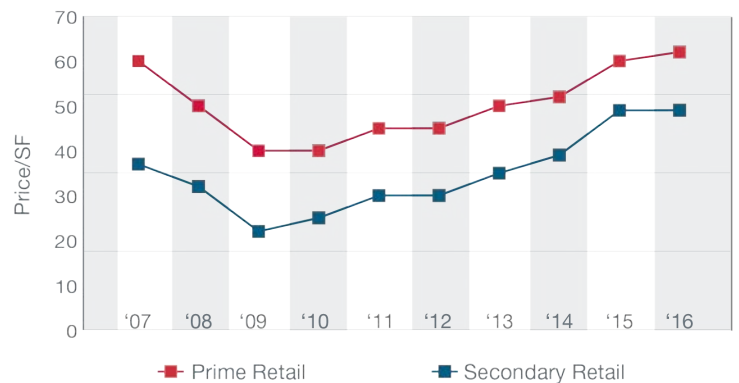


Data Source: NAI Mountain Commercial

VAIL VILLAGE COMMERCIAL LEASE RATES



LIONSHEAD COMMERCIAL LEASE RATES



TRENDS FOR Q1 2017

▲
NET ABSORPTION

▼
VACANCY RATE

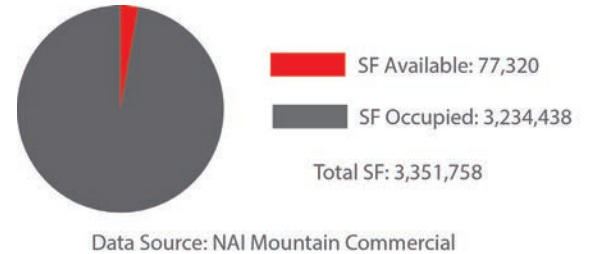
▲
ASKING RATES

245 Chapel Place, Suite C201
Avon, CO 81620
+1 970 239 4199
naimountain.com

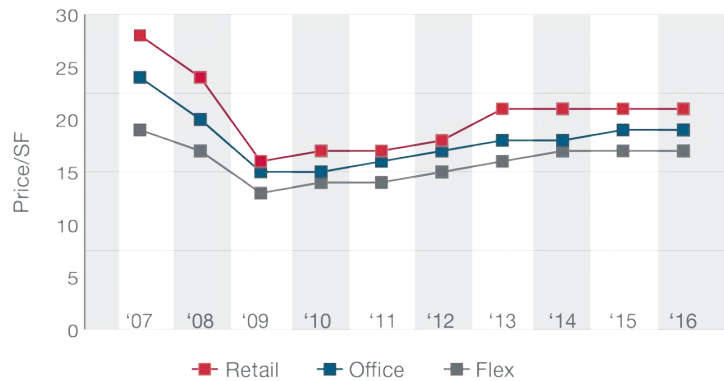
MID-VALLEY

The Mid-Valley market continued to strengthen in Q1 2017, as there was a downtick in vacancy with a rate of 2.33%. Net absorption was at approximately 12,818 square feet, decreasing the vacancy rate by 39 basis points from the Q4 2016 level of 2.72%. Supply in 2017 should stay tight throughout the year. However, we believe Mid-Valley rents are starting to top out or are at least at a near term top.

MID-VALLEY COMMERCIAL OCCUPANCY



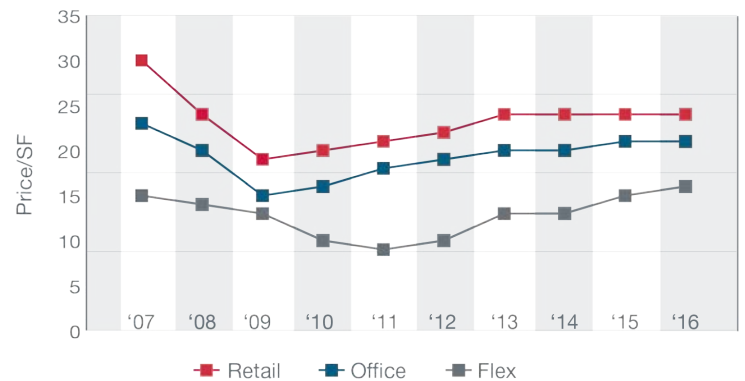
AVON EAGLE-VAIL COMMERCIAL LEASE RATES



BEAVER CREEK COMMERCIAL LEASE RATES



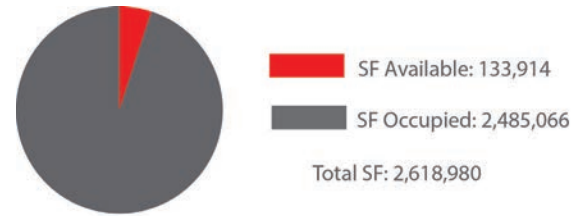
EDWARDS COMMERCIAL LEASE RATES



LOWER VALLEY

The Lower Valley market started on a flat note, posting a vacancy rate of approximately 5.11%. Net absorption was negative at approximately 723 square feet, increasing the vacancy rate by 1 basis point from the Q4 2016 level of 5.11%. After seeing the Q1 numbers it looks like leasing activity might remain light throughout 2017.

LOWER VALLEY COMMERCIAL OCCUPANCY



Data Source: NAI Mountain Commercial

EAGLE GYPSUM COMMERCIAL LEASE RATES



Significant Sales Transactions:

Property	Address	Price	Submarket
Vail Resorts Retail Warehouse	950 Nottingham Rd, Avon	\$2,425,000	Mid-Valley

Significant Lease Transactions:

Property	Address	Size	Submarket
Edwards Village Center	105 Edwards Village Blvd, Edwards	885 SF	Mid-Valley
Benchmark Building	82 Beaver Creek Blvd, Avon	1,800 SF	Mid-Valley
Traer Creek Plaza	101 Fawcett Rd, Avon	1,200 SF	Mid-Valley